

Course: Monetary Economics

Lecturer	Dr. Robin Gowers
Prerequisites	None but previous study of economics would be an advantage
Performance	group presentation (about 15 minutes) with hand-out
Bewertung der Prüfungsleistung	endnotenbildend
Bestehenserblich	ja
Qualification objectives/ Learning outcomes	<ul style="list-style-type: none"> • Understand the current macro situation, why we arrived here and what the future might hold • Assess the role of the market and the state in aiding sustainable economic growth • Critically assess key economic models and understand their shortcomings with a focus on both macro models and those used in financial markets • Critically appraise historical theories, their impacts and how they are used/mis-used. Understand the implications for the future wealth and wellbeing of economies, firms and individuals • Critically assess the policy responses to major economic events and appraise the role of central banks
Contents	<p>The collapse of Lehman Brothers in September 2008 nearly brought the whole banking and financial system down. The policy response to avoid another Great Depression has been phenomenal. Interest rates in many major economies have been cut to all-time lows and have even been made negative and quantitative easing now totals in the billions. The big question that policy makers across the globe face is, where will economic growth come from? Whether you are a policy maker for an economy, an individual firm or for personal gain it is vital to have an understanding of what is going on, why and what the future might hold.</p> <p>A challenge for anyone working in the areas of economics and finance is to try to interpret current events and explain their importance to the wider community. After every major financial crisis in history there has been social, cultural and political change. We have not really seen any of these yet, but the warning signs are there. It is vital to have an interest and understanding of these events as they will affect us all, our children and grandchildren – it is that big. Whether you run your own business, are looking to change jobs or move up the career ladder, are saving for retirement, are retired, etc. these events will affect your future opportunities and aims.</p> <p>The module intends to provide opportunities, space and time for learners to reflexively consider current key economic issues and challenges experienced and encountered within their management practice. At the end of the module students will know the vital role that a healthy financial system plays in the development of economies. They will understand what money is and its' true power. The history side and how finance has changed the world will be linked to the current economic situation.</p>

	<ul style="list-style-type: none"> • Power of economics • History of economic thought and its relevance today • Current macro situation and its micro implications • Power of money • 'New' economy • Key economic indicators • Role of the state in the economy • Money and the real economy • Markets and monetary policy • Financial institutions and central banks • Advances in microeconomics • What is risk • History of developments in risk management and its relevance today • Asset valuation and the role of financial markets • Efficiency of markets • Valuation of high-tech companies • Short run v long run in investment decisions • Role of central banks in influencing prices • Incentives and behavioural issues in decision making
Media	Projector, White board, Video
Literature	<p>There is a wide range of good quality books that will help add to the materials covered. Readings will be given throughout the course and will include these as well as internet sources, journals and magazines/newspapers.</p> <p>Sloman, J., Garratt, D. (2013) <i>Essential of Economics</i> 6th Edition. Pearson.</p> <p>Chang, H.J. (2011) <i>23 Things They Don't Tell You About Capitalism</i>. Penguin</p> <p>Harford, T. (2005) <i>The Undercover Economist</i>. Oxford University Press</p> <p>Harford, T. (2009) <i>The Logic of Life</i>. Little Brown</p> <p>Krugman, K. (2012) <i>End This Depression Now</i>. W Norton</p> <p>Levitt, S., Dubner, S.J. (2007) <i>Freakonomic: A Rouge Economist Explores the Hidden Side of Everything</i>. Penguin</p> <p>Levitt, S., Dubner, S.J. (2020) <i>Superfreakonomics</i>. Penguin</p> <p>Anything by Michael Lewis.</p>